

Report to Stakeholders

2008

The Saskatchewan Workers' Compensation Board's mission and sole purpose is to serve injured workers and their employers. Our vision is to excel in the management and delivery of quality, transformational services to our program participants.

Our commitment to our stakeholders is:

1. Provide the highest quality, comprehensive, and timely services to our participants.
2. Act with integrity with both employees and employers.
3. Communicate effectively with our stakeholders and participants.
4. Keep our participants informed, involved, and provide services which reflect their needs and requirements.
5. Use resources wisely to ensure financial health and solvency.
6. Exceed our stakeholders' expectations and ensure compliance with all applicable legislation.
7. Exceed the financial targets set by the Victorian Compensation Board.

Contents

Vision / Mission	ii
Statement of Beliefs	1
Values Statement	1
Meredith Principles	1
Chair's Message	2
CEO's Message	4
Year-at-a-Glance	6
WCB Comparisons	7
WorkSafe Saskatchewan	8
Balanced Scorecard	10
Statistical Summary	14
Injury Rates and Claim Durations	16
Risk Management Plan	17
Appeals Report	20
Fair Practices Office	23
2003 - 2005 Strategic Plan and Results	24
Board Policy Decisions	36

Vision / Mission Statement

The Saskatchewan Workers' Compensation Board's mission and sole purpose is to serve injured workers and their employers. Our vision is to excel in the development and delivery of workers' compensation and injury prevention programs and services.

In support of our mission and vision we will:

1. Provide the right service, at the right time, and be cost-effective in our processes.
2. Act with dignity and treat everyone with respect.
3. Conduct our business in a fair, open, honest and professional manner.
4. Bring about positive relationships with workers, employers, and others affected by the workers' compensation system.
5. Communicate our distinct identity, benefits and values.
6. Expect and recognize individual and corporate achievements and contributions to our workplace.
7. Ensure the financial integrity of the Workers' Compensation Board.

Statement of Beliefs

The Statement of Beliefs is rooted in the Meredith Principles and describes what the WCB holds to be true about Saskatchewan's compensation system, our stakeholders, and the nature of our relationships with workers, employers and the people of Saskatchewan.

Our corporate beliefs are:

- 1** Injured workers and employers deserve excellent service.
- 2** Workers, employers, and others deal with us honestly.
- 3** Employers care about their employees and care that their employees receive excellent service.
- 4** The WCB's future relies on positive relationships built on trust, understanding and co-operation in our programs and decisions.
- 5** WCB employees want to excel in customer service.
- 6** The WCB is guided by its corporate values in all of its decisions.

Values Statement

Our corporate values are the standards by which our actions and decisions are to be considered and judged by others.

- 1 Dignity** – those we serve and those we work with are treated with respect and consideration.
- 2 Fair** – those we serve and those we work with are treated equally and without prejudice or bias.
- 3 Honest** – those we serve and those we work with are treated truthfully.
- 4 Open** – our programs and services are easy to access and to understand. Our decisions and actions are clear, reasonable and open to examination.

The Meredith Principles

The Meredith Principles were articulated by Sir William Meredith in Ontario in 1910 and later adopted by all Canadian provinces and territories. Saskatchewan's compensation system began with these Meredith Principles in 1930 and has continually reaffirmed their importance.

The Meredith Principles ensure that the compensation system contributes to social and economic stability, and positively affects quality of life in Saskatchewan.

- 1 No fault compensation:** every work-related injury is covered regardless of who is to blame – the employee, employer or co-worker.
- 2 Security of benefits:** the system shall be fully funded to ensure that there are sufficient funds to meet current and future costs arising from work injuries.
- 3 Collective employer liability:** all employers contribute to the system based on industry groupings, thus ensuring certainty of payment for injured workers and removing the risk of bankruptcy for employers.
- 4 Independence of the Board:** the system shall be governed by an independent Board which can fairly serve and respond to the needs of workers and employers without partisan political influence.
- 5 Exclusive jurisdiction:** the Board has exclusive jurisdiction so that each claim can be considered on its individual merits and benefits can be provided promptly without the need to sue for damages.

Chair's Message



Board Members l. to r.:
Walter Eberle
Labour representative
John Solomon
Chairman
Norm Brown
Employer
representative

Welcome to the WCB's first stakeholder's report – a complementary document to our annual financial report.

This new publication increases the level and detail of accountability to which the WCB is committed. Equally important, this report links the organization's results to its strategic plan, and places both under public scrutiny.

Stakeholders need and deserve information about the organization that serves them, and an organization needs the fullest understanding possible from its stakeholders.

If ever there was a year that demonstrated how the WCB depends on its stakeholders, 2003 was that year.

In 2003 we emerged from a "perfect storm" that had battered the compensation system for nearly three years: falling investment markets, higher injury rates that translate into an increasing number of claims, and record costs related to the high number of claims.

By the end of the year, our environment was looking much brighter: investment markets had become much more positive, injury durations were lower and the injury rate took a break from its long-term rise – all of this contributing to a lower-than-expected operating shortfall.

The problem

We see confirmation that the WCB is moving in the right direction, and must continue to steer this steady course.

Yet one threatening dark cloud remains over us: the number of injuries, and their severity, increases every year.

Few realize that injuries represent the second-largest health risk in the country. And this situation continues despite the fact that injuries are predictable and preventable.

Injuries cannot be legislated away or administered down to size. They have to be prevented – by individual actions – in each and every workplace across our province.

The action plan

Only a widespread change in attitude and behaviour will free the compensation system from the necessity of continually spending more money on more injuries.

This is where the WCB's dependence on its stakeholders becomes crystal clear:

- If workers and employers change the factors that cause injury, costs will go down.
- Without such change, the human and financial costs will keep rising in step with the number of injuries. And workers and employers will continue to pay that rising price.
- Employers must realize that a well-funded injury prevention program in the workplace is not a cost; it's an investment in their employees and in their businesses.

The costs of workplace injuries are many: human suffering, diminished opportunity costs, reduced productivity and increased financial costs.

Yet we believe positive change is possible.

We believe our stakeholders want fewer injuries and a reduction in those human and financial costs. We know that many workplaces are already models of safe standards and practices, demonstrating that safety can be achieved cost-effectively. And the WCB has already committed significant funds every year to supporting organizations that promote or enforce safety.

More than that, we are now making new investment in the struggle to make injury prevention a part of everyday behavior. The Board Members' direction to the administration has been to develop an action plan that makes injury prevention a top priority.

The resulting action plan has already produced positive results, specifically through **WorkSafe Saskatchewan**, a partnership between the WCB and Saskatchewan Labour. This program promotes safety awareness and profiles organizations and individuals who could serve as role models for effective injury prevention in the workplace. We are convinced that injury prevention – like administrative efficiency and program effectiveness – is part of the steady course the WCB must steer in the year ahead.

But clearly, injury prevention is not a path we can travel alone.

The challenge of the future

The **WorkSafe Saskatchewan** partnership is the beginning.

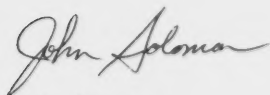
Already we have created productive partnerships with the Saskatchewan Safety Council, Saskatchewan Labour and the Saskatchewan Federation of Labour.

Next must come partnerships with Saskatchewan's employers and workers.

Only together can we create the broad social change that will reduce injuries.

The WCB's mission is excellence in workers' compensation and injury prevention. We are moving clearly towards that goal with the Board's direction on strategy, investment and administrative efficiency and effectiveness. On all of these fronts, we have made progress in 2003.

But partnerships in injury prevention will be the continued challenge for the years ahead. Success on that front will depend on – and be shared by – all of our stakeholders.



John Solomon,
Chairman



"I've been on the occupational health committee for about 20 years, and it's the teamwork that's given us a good safety record."

Jim Adam,
Mine Operations Superintendent,
PCS Potash, Lanigan Division

CEO's Message

WCB operations during 2003 were increasingly focused on building positive relationships with our stakeholders.

- A new Fair Practices Officer position was created to investigate complaints from injured workers and employers who believe the WCB failed to fairly apply its policies, practices and procedures.
- Our return-to-work (RTW) processes have been strengthened by a requirement for a RTW plan to be prepared for all long-term time-loss claims. In addition, an RTW "prescription pad" was prepared to assist doctors in reporting the extent to which their patients are able to participate in modified work on a timely basis.
- The integrated partnership model continues to emphasize the importance of good and timely communication among all stakeholders in fulfilling their roles and responsibilities in the return-to-work process.
- Our Injury Fund replenishment program was extended to 15 years from 10 in response to employer input.
- Our client service surveys have been made compatible with the standard Common Measurement Tool, a survey methodology tailored to the unique service aspects of public sector agencies. At the same time a national survey of public sector service rated satisfaction at 65 percent, the WCB's own surveys saw satisfaction among our customers average 84%.
- Our claims duration was reduced, thanks in part to our new claims management program that creates working partnerships with all our stakeholders.

Partnerships take time, but we are convinced that only through cooperation between employers, workers, the health care community and government can we triumph over the challenges the WCB faces.

The biggest of these challenges is the stubborn history of increases in Saskatchewan's injury rate.

Rising injury rates offset every achievement we make in other areas of enhancement to the compensation system. Neither our successes in controlling and lowering administrative costs, nor our ability to benefit from good years in the investment market, can outweigh the steady financial drain of an increasing volume of injuries.



Executive Members l. to r.:

Gail Kruger
Vice-President,
Prevention, Finance &
Information Technology

Graham Topp
Vice-President, Operations

Peter Federko
Chief Executive Officer

Donna Kane
Vice-President,
Human Resources &
Team Support

Why do accidents keep on rising – and thereby driving up financial and human costs – when our province has a static population base?

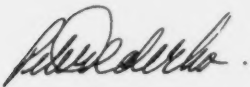
We believe the answer lies in a combination of awareness and attitude. Simply, everyone must accept responsibility for prevention and safety. Employers and workers must first accept that injuries are predictable and preventable, and then know how to make worksites safer. Above all, however, they must commit to make safety a primary goal every day for every job.

The WCB can't create this kind of vital change in the workplace. That is in the hands of workers and employers. Our role is to encourage and support those changes through active, creative partnerships.

Last year we began a public information and awareness campaign around **WorkSafe Saskatchewan**. Our sponsorship partner was Saskatchewan Labour, and we found many companies and workers who were prepared to partner with us by letting us tell their stories about safety successes.

Our research shows public awareness of workplace injuries as an issue increased dramatically as a result of that program. In 2004 we will build on that success. Our goal is to develop much broader and more proactive partnerships with employers and their organizations, and with the organizations representing workers.

The workers' compensation system was created as a program representing and serving the needs of workers and employers. As we steer a steady course in administration of the system, we also have to be creative in finding new ways to tap the mutual interest and the huge potential that our stakeholders bring to the table.



Peter Federko
Chief Executive Officer



"The biggest benefit of our safety program is the high morale of our people. We're very productive, and we have a very low turnover rate."

Al Matt,
Production Manager,
USF WaterGroup

Year at a Glance

	2003	2002	2001	2000	1999
Number of workers covered *	309,362	306,518	308,719	306,469	305,103
Lost time claim rate (per 100 workers)**	4.81	4.95	4.79	4.71	4.30
Number of claims reported	38,919	39,821	38,240	37,717	36,346
Number of lost time claims accepted**	14,876	15,174	14,786	14,433	13,108
Permanent Functional Impairment awards	469	484	407	443	390
Fatal claims accepted	26	16	29	35	31
Number of appeals filed					
Appeals Committee	1,081	979	826	873	813
Board Level	240	297	246	201	212
Return to work percentages					
Secondary treatment centres	87%	90%	91%	85%	87%
Tertiary treatment centres	73%	69%	66%	66%	67%
Claims costs (in millions)	199.2	1221.1	1239.3	1146.0	142.1
Active employer accounts ***	31,630	31,327	31,225	31,657	32,454
Premium revenue (in millions)	177.6	1154.4	147.8	124.8	141.5
Average actual premium rate**** (per \$100 of insurable earnings)	1.83	1.65	1.57	1.61	1.66
Investment revenue (in millions)	48.0	46.0	72.0	105.6	96.2
Benefits liabilities (in millions)	801.8	778.5	700.5	1631.1	592.1
Reserves and Injury Fund (in millions)	(51.4)	(43.5)	50.0	1105.8	1132.3

* Full-time equivalent workers based on Statistics Canada average wage and WCB payroll information as of December 31st. 2003 full-time equivalent workers based on estimate of both average wage and payroll information.

** Number of time loss claims and the lost time claim rate are as at December 31st.

*** Includes active employers as at December 31st.

**** Revised for 2003 reporting year to demonstrate effective rate, net of merit/surcharge. All years, except for 2003, are actual rates. 2003 is a provisional rate.

† Certain comparative figures have been changed to conform to the current year's presentation.

Comparison With Canadian WCBs

While each Canadian workers' compensation board and commission administers a unique legislative mandate, all Canadian compensation systems have a great deal in common.

The Saskatchewan WCB compared favourably to other Canadian jurisdictions in 2002 and 2003:

- The lowest cost per appeal decision of any compensation board in Canada.
- The second lowest average provisional assessment rate in 2003 among all the provinces.
- The second lowest average administration cost per time loss claim in 2002.
- One of the highest rates of investment returns among Canadian WCBs.
- The second lowest average composite duration of claims among all Canadian WCBs, according to indicators established by the Association of Workers' Compensation Boards of Canada (AWCBC).



"Being on the health committee for nine years has made me more safety-conscious, and I think we're all more likely to notice potential hazards and mention them because we know they will be dealt with."

Nancy Dezotell,
Receptionist and Accounting,
Centennial Ford, Watrous

WorkSafe Saskatchewan

WorkSafe Saskatchewan is a joint initiative of the WCB and Saskatchewan Labour to promote a positive safety culture in the workplace by integrating safety and injury prevention programs that effectively reach province-wide audiences. The program's mission is to foster workplace partnerships committed to preventing the causes and reducing the impacts of occupational illness and injury.

WorkSafe Saskatchewan's activities focus on three strategies designed to achieve the program's goal:

- 1. Promote Prevention** - to develop and implement awareness campaigns that advance prevention, using the **WorkSafe Saskatchewan** brand name.
- 2. Education and Training** - to facilitate occupational health and safety education and training.
- 3. Share Resources and Information** - to develop and co-ordinate initiatives and to share information that advances prevention activities.

The first major initiative by **WorkSafe Saskatchewan** since its inception in 2002 was the creation of a website and CD-ROM with collections of occupational health and safety resources designed to help workers and employers prevent injuries and illnesses in their workplaces. New resources are continually being added to the website, which includes contributions from the WCB, Saskatchewan Labour, the Canadian Centre for Occupational Health and Safety and other contributors. This initiative has been welcomed by occupational health and safety practitioners.

In 2003 **WorkSafe Saskatchewan** launched a major campaign to raise public awareness of the importance of health and safety in the workplace, and to emphasize the shared workplace responsibility for injury prevention.

Using print ads and 30-second radio commercials, the first phase of the campaign profiled four employers operating in different industries who have compiled strong safety records, or who have achieved significant improvements in workplace safety. These ads, which ran in

Spring 2003, highlight the benefits of implementing best safety practices in the workplace and of reducing the human and financial costs associated with injuries or illnesses.



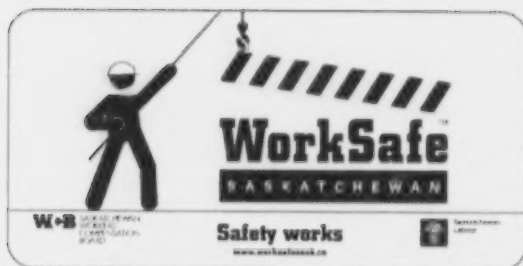
"I'm the Operations Superintendent for EnCana's operations in the Weyburn oilfield. We place a high priority on safety, and that includes our summer hires."

"In ten years we haven't had a serious safety incident involving our summer students."

"Before the students we hire can work in the oilfield they have to take some mandatory training, so they spend a week at the Southeast Community College learning first aid and about the hazards of our work."

Darcy Cretn, Operations Superintendent, EnCana, Weyburn





The second phase of the campaign, which ran in the Fall, focused on the experiences of employee and employer representatives on occupational health committees in four different workplaces with commendable safety records. This series of ads emphasizes the effectiveness of safety programming when everyone

shares responsibility to identify the causes of occupational injuries and illnesses and takes action to prevent them or reduce their impact. Over the summer the campaign switched to billboards promoting **WorkSafe Saskatchewan** as the province's workplace injury prevention brand name.

WorkSafe Saskatchewan was launched as the workplace injury rate in the province was at a 20-year high of 4.95 per 100 workers, the second-highest reported injury rate in Canada. As one of its corporate objectives, the WCB has committed to reducing the province's injury rate to 4 per cent by 2007. The **WorkSafe Saskatchewan** public awareness campaign is one of several programs administered by the WCB and Saskatchewan Labour geared to reducing injuries in various industries.

The WCB recognizes that changing behaviours and attitudes is an ongoing process. A post-campaign survey showed a 12 per cent increase in awareness of the injury prevention message from the beginning to the end of the Spring 2003 campaign. Although the Fall campaign was cut short by the provincial election, a further seven per cent increase in awareness was recorded

following the second phase. The survey also indicated that 87 per cent of respondents believe the WCB should continue to invest in campaigns promoting safety and injury prevention.



Ben Boots and Paul Merfield both sit on the occupational health committee at the Buffalo Pound Water Treatment Plant. Most safety issues, they say, are dealt with even before they reach the safety committee.

"We're very open to concerns and issues," adds Ben, the plant superintendent, "because the workers are more likely to see a potential safety hazard. Our foreman does a wonderful job working with the staff and dealing with concerns."

Ben Boots, Plant Superintendent
Paul Merfield, Maintenance Worker
Buffalo Pound Water Treatment Plant

Balanced Scorecard

Individual and Team Effectiveness

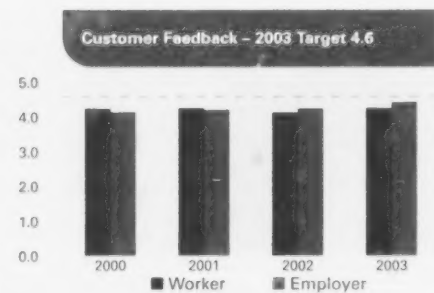
Constructive Culture

- Measures the rating staff give each year to positive aspects of the WCB's workplace culture. 100 represents the median score for companies using this test instrument.
- In 2003, teams looked at their own work unit results to identify opportunities to help the WCB move closer to its target. Audit results continue to indicate progress toward the ideal constructive culture.



Congruence of Values and Behaviours

- Provides customers' view of how our staff demonstrate support for WCB values. Created from separate quarterly surveys of workers, employers and partners.
- In 2003, the WCB adopted a composite index for measuring WCB values as rated by injured workers and employers. The index uses a five-point scale, ranging from "1" (very dissatisfied) to "5" (very satisfied). A rating of 4 or above indicates that overall, injured workers and employers are satisfied that WCB staff adhere to a high standard of values.
- 2003 results continue to indicate WCB staff closely mirror the corporate values in their interactions with clients and stakeholders.



Process Effectiveness

Return to Work

- Shows the proportion of injured workers who have returned to employment after being declared employable.
- Based on all closed claims, 92% of injured workers declared employable returned to work in 2003, the same result as last year. The remainder either moved to long-term compensation, or although considered employable, did not return to work for reasons unrelated to their claim.

Income Replacement

- Shows the proportion of workers receiving their first wage loss cheque within 14 days of the date of injury.
- In 2003, 62% of workers eligible for wage loss benefits were receiving their first payment within 14 days of the date of their injury. 75% of eligible workers received their first cheque within 14 days of the date the WCB was notified. The difference reflects delays in reporting.

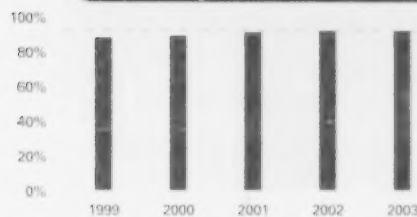
Employer Services

- Shows the promptness with which new employer accounts are identified, classified and assessed.
- 84% of new employers were assessed within 10 days of the WCB learning the firm was conducting business, in 2003.
- In 2003, the standard was raised to 10 days from the previous 30 days. Even with a more aggressive standard, the level achieved the previous year was maintained.

Appeals

- Shows the length of time to process an appeal from the date it is received by the WCB until the date a decision is rendered.
- The percentage of appeals processed within 30 days at the Appeals Committee level has remained relatively constant. Significant progress has been made in reducing the time to render a decision at the Board level, and accordingly the percentage of decisions provided within the targeted timelines has increased significantly.

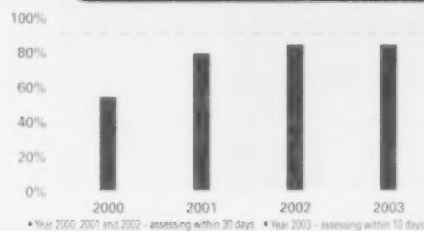
Worker Employment - 2003 Target 92%



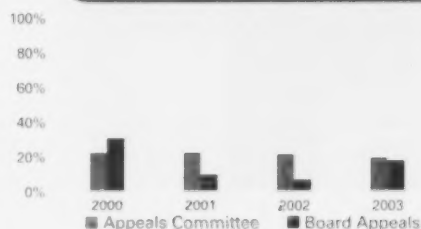
Time to First Payment - 2003 Target 75%



Assessing Employers - 2003 Target 90%



Time to Process Appeals 2003 Appeals Committee Target - 30 days 2003 Board Target - 120 days



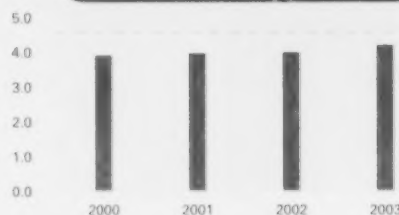
Premier Customer Service

Workers' Perspective

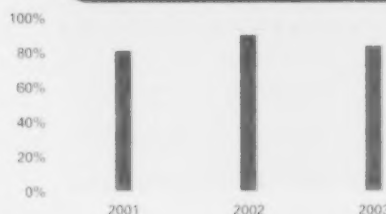
- Gives an external confirmation of whether our staff offers a high quality of service to injured workers, using a quarterly random survey of claimants. A composite index relating to WCB service was adopted in 2003. The index uses a five-point scale, ranging from "1" (very dissatisfied) to "5" (very satisfied). A rating of 4 or above indicates that overall, workers are satisfied with the quality of service provided by the WCB.
- 2003 results show increased movement toward targeted satisfaction levels.

Worker Service Feedback - 2003 Target 4.6**Employers' Perspective**

- Gives an external confirmation of whether our staff offers a high quality of service to employers, using a quarterly random survey. A composite index similar to that of the Workers' Perspective was introduced in 2003. A rating of 4 or above indicates that overall, employers are satisfied with the quality of service provided by the WCB.
- Employer satisfaction levels have shown steady gains since 2000.

Employer Service Feedback - 2003 Target 4.6**Caregivers' Perspective**

- Gives an external confirmation of how our staff offers a high quality of service to health care providers, using a biannual survey.
- The caregivers survey continues to report satisfaction with the WCB's quality of service as a percentage. Caregivers have shown high levels of satisfaction over the past three years.

Caregiver Feedback - 2003 Target 93%

Financial Integrity

Stability of Rates

- Shows the fluctuation in employers' rates over time.
- Despite a rate increase in 2003, the \$1.83 average employer premium rate net of discounts was the second lowest among provincial jurisdictions.

Fully Funded Status

- Shows the comparison between the WCB's assets and liabilities. For 2003, assets were \$889.5 million and liabilities were \$940.9 million.
- The WCB maintains a future benefits administration liability of \$39.3 million which is not a legislated requirement. The board is 98.6% funded according to its legislation.

Operational Efficiency

- Shows the ratio between the WCB's administrative costs and premium revenue (net of merit/surcharge and safety association funding). The objective is for the ratio to fall below the stated target.
- The amount spent on administration in 2003 was the lowest since 1998 and resulted in an administrative cost-to-premium-revenue ratio of 20%.

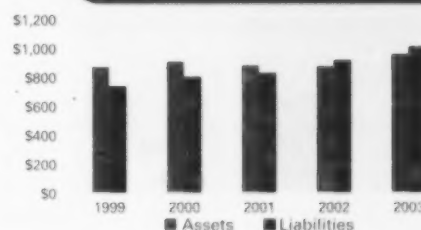
Stability of Benefits

- Demonstrates the amount spent annually on benefit programs.
- In 2003, program expenses decreased by \$6.2 million from 2002. Key reasons for this decrease include fewer time loss claims and a drop of more than five days since 2001 in the number of days paid per time loss claim.

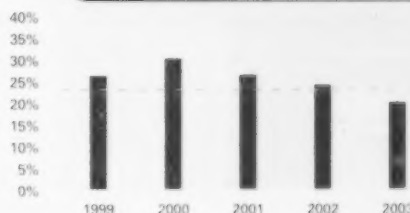
Average Premium Rate



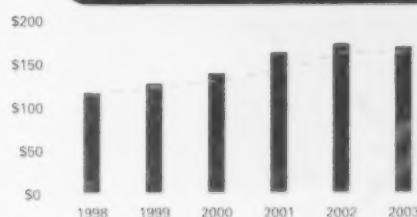
Fully Funded Status (Millions)



Administration Costs vs Premium Revenue - 2003 Target 23%



Actual Program Costs vs Budget (Millions)



Statistical Summary



Total Population

Year	Population
1999	36,346
2000	37,717
2001	38,240
2002	39,021
2003	39,919



Total Employment

Year	Employment
1999	31,376
2000	32,077
2001	33,052
2002	33,786
2003	34,991



Total Sales (in \$ mil.)

Year	Sales
1999	18,337
2000	18,459
2001	18,737
2002	19,002
2003	20,047



Total Assets (in \$ mil.)

Year	Assets
1999	12,108
2000	14,433
2001	14,786
2002	15,174
2003	14,676



Total Sales per Employee

Year	Sales per Employee
1999	51
2000	35
2001	55
2002	56
2003	58



Total Assets per Employee

Year	Assets per Employee
1999	26.2
2000	26.4
2001	27.6
2002	26.4
2003	25.9



Total Sales per \$100 of Assets

Year	Sales per \$100 of Assets
1999	13.0
2000	10.7
2001	9.0
2002	8.7
2003	8.0



Total Assets per \$100 of Sales

Year	Assets per \$100 of Sales
1999	6.5
2000	6.0
2001	5.9
2002	5.4
2003	5.3

Michigan's total population is expected to grow by 1.5 million people by 2010, according to the U.S. Census Bureau. This growth is expected to be driven by a combination of factors, including a high birth rate and a large influx of immigrants.

Michigan's total employment is expected to grow by 1.5 million people by 2010, according to the U.S. Census Bureau. This growth is expected to be driven by a combination of factors, including a high birth rate and a large influx of immigrants.

Michigan's total sales are expected to grow by 1.5 billion dollars by 2010, according to the U.S. Census Bureau. This growth is expected to be driven by a combination of factors, including a high birth rate and a large influx of immigrants.

Statistical Summary

Claims Reported¹

1999	36,346
2000	37,717
2001	38,240
2002	39,821
2003	38,919



Claims Accepted

1999	31,476
2000	32,927
2001	33,552
2002	35,128
2003	34,949

No Time Loss Claims²

1999	18,337
2000	18,459
2001	18,737
2002	19,938
2003	20,047

Time Loss Claims²

1999	13,108
2000	14,433
2001	14,786
2002	15,174
2003	14,876

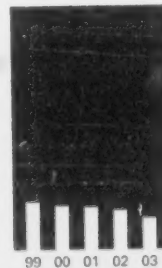
Fatalities²

1999	31
2000	35
2001	29
2002	16
2003	26



Average Days on Compensation

1999	25.2
2000	26.4
2001	27.6
2002	25.4
2003	25.0

Unaccepted Claims (%)³

1999	11.0
2000	10.1
2001	9.8
2002	9.1
2003	8.5

Composition of Unaccepted Claims
(% of Reported Claims)

Not Work Related	Not Covered under Act	No Further Info
6.5	0.6	3.9
6.0	0.7	3.4
5.9	0.7	3.2
5.4	0.5	3.2
5.3	0.6	2.6

¹ Reported Claims: New claims reported to the WCB in the current year, both accepted and unaccepted. Additional claims reported information can be found on the WCB's website, www.wcbsask.com

² Based on new claims reported to, and accepted by, the WCB in the year. Excludes claims not covered under the Act, not work related, still pending, and / or duplicated within the system.

³ Unaccepted claims are reported as a percentage of the total entitlement decisions for claims reported for the year. Entitlement decisions status is as at Feb 11/04 for 2003 claims reported. Claims are not accepted when the industry is not covered by *The Workers' Compensation Act*, a claim is not work related, or no further information is received following the initial report of the injury. Totals may not equal due to rounding.

2003 top five industry codes with injuries*

Industry codes

G2 Health Authorities, Hospitals, Care Homes	4,375
B1 Construction Trades - Residential, Commercial and Industrial	2,876
C3 Grocery, Department Stores, Hardware and Wholesale Chain Stores	2,402
S2 Hostels, Independent Services, Restaurants, Hotels, Motels	2,312
C6 Automotive, Implement Sales and Service and Automotive Service Shops	1,719

* All claims reported and accepted in 2003

2003 top five occupations with injuries*

Occupation	Number of Claims Reported
Truck Drivers	1,094
Nurses Aides and Orderlies	989
Welders and Flame Cutters	895
Nurses, Graduate, Except Supervisors	764
Slaughtering, Meat Cutters, Cannery, Curing & Packing	668

* All claims reported and accepted in 2003

2003 top five areas of injury*

Body Part	Number of Claims Reported
Back	5,591
Fingers	4,721
Eyes	2,364
Hands	1,780
Shoulder	1,763

* All claims reported and accepted in 2003

Long term earnings replacement awards

New awards 2003	286
Number receiving at December 2003	2,036

Dependent spouses

New awards in 2003	16
New Act wage loss recipients (including 2003)	361
Old Act lifetime pension recipients	259



Number of Permanent Functional Impairment Awards

1999	390
2000	443
2001	407
2002	484
2003	469



Assessment Calling

1999	48,000
2000	48,000
2001	48,000
2002	48,000
2003	51,900



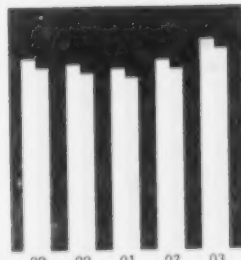
Number of Active Employer Accounts*

1999	32,454
2000	31,667
2001	31,225
2002	31,327
2003	31,630



Assessable Payroll (billions)

1999	8.83
2000	9.14
2001	9.37
2002	9.50
2003	10.00



Average Provisional Premium Rate* and Average Actual Premium Rate**

1999	1.77	1.66
2000	1.69	1.61
2001	1.70	1.57
2002	1.75	1.65
2003	1.91	1.83

* Active employers excludes employers whose assessment accounts were finalized during the year.

* Average provisional premium rates are based on anticipated reported payroll at the beginning of the fiscal year.

** This rate consists of the base rate net of merit/surcharge. 2003 rate was provisional at time of publication.

Injury Rates and Claim Durations (1999 - 2003) for Rate Codes

Rate Code	Description	% of Workers Injured with Time Loss					Average Days				
		2003	2002	2001	2000	1999	2003	2002	2001	2000	1999
All Class**		4.81	4.95	4.79	4.71	4.30	25.0	25.4	27.6	26.4	25.2
A11	Light Agricultural Operations	11.37	12.44	10.47	10.47	9.18	26.0	22.1	26.6	26.0	32.8
A21	Farming & Ranching	4.59	4.79	6.54	6.03	5.22	40.7	47.7	68.0	46.3	46.6
A31	Grain Elevators & Inland Terminals	1.05	1.17	1.41	1.43	1.67	10.8	19.2	23.9	20.0	28.7
B11	Construction Trades	10.04	8.72	9.19	8.51	7.12	19.3	21.2	21.9	27.8	24.7
B12	Residential Construction	10.95	11.30	9.81	12.02	9.61	30.7	34.6	34.1	38.6	30.5
B13	Commercial, Industrial Construction	10.95	10.92	10.70	12.26	11.00	35.4	30.3	31.9	34.0	32.3
C12	Light Commodity Marketing	1.53	1.36	1.35	1.63	1.22	25.1	16.6	20.7	28.9	25.9
C32	Grocery, Department Stores, Hardware	3.22	3.54	4.02	3.58	2.84	22.5	20.9	22.8	21.6	20.8
C33	Wholesale, Chain Stores	6.87	7.44	6.66	6.59	5.99	22.1	23.2	25.9	26.0	24.8
C41	Co-operative Associations	4.45	4.11	4.10	3.65	3.98	19.9	17.4	24.6	15.7	19.4
C51	Lumber Yard, Builders Supplies	6.83	6.48	6.24	6.11	6.05	21.3	25.2	20.2	16.2	22.7
C61	Automotive, Implement Sales & Service	2.81	3.21	3.23	3.27	3.01	24.3	22.6	19.9	24.0	19.5
C62	Automotive Service Shops, Towing	4.84	4.80	4.72	5.64	4.54	22.4	26.9	25.8	21.9	19.8
D11	Open Seam Mining	1.30	0.83	0.91	1.34	1.53	9.3	24.2	20.5	39.0	24.1
D12	Mining Coal	6.29	5.22	4.37	3.69	4.20	12.4	26.9	17.0	35.1	31.8
D21	Conventional Potash Mining, Refining	1.91	2.64	2.20	1.89	0.93	14.1	31.6	25.7	25.8	23.3
D32	Operation of Oilwells	1.12	0.87	1.04	1.41	1.75	55.1	12.7	36.7	32.9	32.5
D41	Oilwell Servicing	6.50	6.75	7.91	7.88	7.66	32.4	36.7	36.1	31.0	35.5
D51	Service Rigs, Water Well Drilling	6.89	8.38	8.42	11.49	9.80	34.4	48.1	41.7	52.2	47.2
D52	Drilling, Seismic	4.68	2.42	5.80	5.45	3.66	58.5	52.9	41.7	73.5	53.1
D61	Mining Exploration	4.94	3.02	8.53	6.37	2.39	6.0	50.6	103.2	51.3	94.2
D62	Underground Mining and Maintenance	7.48	4.42	4.11	6.29	3.48	47.2	33.9	31.1	35.5	47.7
D63	Diamond Drilling	11.66	5.20	3.62	7.56	5.53	65.1	139.5	91.0	77.6	45.7
F11	Conventional Logging Operations	30.89	16.89	16.92	26.12	24.24	41.1	55.5	40.7	68.1	37.6
F12	Mechanical Logging Operations	5.29	3.66	4.87	5.98	2.80	26.8	44.2	59.1	54.3	23.1
F13	Log/Pulpwood Hauling	11.73	7.74	7.07	6.04	6.52	37.8	37.3	62.3	74.8	41.3
F22	Planing, Sawing, Mills, Waferboard	4.54	6.68	10.79	9.73	7.36	22.0	25.7	25.5	24.4	31.9
F31	Pulp and Paper Mills	1.26	2.70	2.50	2.68	1.36	7.6	18.5	15.0	21.1	18.7
G11	Universities and Regional Colleges	1.64	1.50	1.65	1.51	1.43	24.8	29.6	21.1	26.9	28.6
G12	School Divisions, Housing Authorities	3.97	4.00	3.33	3.54	2.90	20.4	25.1	27.1	22.6	28.5
G22	Health Districts, Hospitals, Care Homes	7.20	6.85	6.78	6.11	5.70	29.1	31.2	35.3	31.9	29.4
G31	Cities, Town, Villages, RMs	6.04	6.89	6.32	5.49	5.36	19.1	19.4	20.1	18.8	18.7
G51	Government of Saskatchewan & Departments	4.21	4.11	3.32	3.20	3.41	24.3	26.1	27.5	26.7	24.1
M31	Manufacturing, Pipeline Operations	0.84	1.34	1.71	1.60	1.03	15.8	9.9	10.9	29.8	17.1
M33	Refineries and Upgrader	1.41	1.39	1.10	1.83	1.75	12.7	14.5	52.3	23.3	21.5
M41	Dairy Products, Soft Drinks	12.87	13.70	15.32	9.28	12.45	19.3	19.4	17.2	18.8	15.2
M42	Bakeries, Food prep & packaging	3.52	6.20	7.12	6.74	5.58	22.7	25.1	37.1	22.7	21.0
M62	Mills, Semi Medium Manufacturing	12.78	12.98	11.19	11.02	10.70	17.3	18.0	21.1	21.3	16.1
M72	Processing Meat, Poultry and Fish	30.05	30.21	33.09	35.19	33.73	16.7	21.1	26.3	17.0	21.4
M81	Metal Foundries & Mills	3.89	4.77	4.78	4.52	3.25	23.1	20.7	28.5	28.6	18.0
M91	Agricultural Equipment	15.59	18.32	17.19	15.57	14.03	14.3	16.5	15.5	14.5	15.2
M92	Machine Shops, Manufacturing	14.50	16.38	16.52	16.12	14.49	16.6	16.1	18.2	19.2	18.6
M94	Iron and Steel Fabrication	21.47	23.37	18.90	23.65	23.08	11.8	13.5	14.0	17.0	15.4
R11	Road Construction and Earthwork	5.96	4.96	5.45	5.44	4.80	37.9	37.5	38.5	34.9	32.7
S11	Legal Offices, Financial, Drafting	0.30	0.24	0.31	0.36	0.30	39.0	22.1	18.9	18.7	12.7
S12	Offices, Professionals	0.97	0.73	0.60	0.75	0.63	23.3	27.9	35.7	30.4	24.2
S21	Hostels, Independent Services	1.74	1.85	1.73	1.66	1.36	24.2	25.1	22.5	25.4	22.4
S22	Restaurants, Catering, Dry Cleaning	2.62	3.00	3.10	3.09	2.83	18.9	19.3	20.4	19.0	20.2
S23	Hotels, Motels, Taxicabs	3.21	2.96	3.21	2.84	3.15	31.3	25.6	32.9	30.5	33.6
S32	Service Clubs	3.06	3.16	2.93	3.17	2.65	31.7	38.1	26.3	25.6	26.2
S33	Caretaking, Park Authorities	4.55	4.08	4.98	4.40	4.00	35.5	28.5	42.0	28.4	27.0
S41	Engineering, Testing & Surveying	1.11	0.87	1.10	0.92	0.73	14.5	23.0	23.3	18.5	27.5
T42	Transportation, Courier, Commercial Bus	9.74	10.13	10.09	10.62	10.03	37.7	38.5	38.9	31.8	31.1
T51	Operation of Railways	3.19	2.83	2.64	1.69	1.60	37.0	28.5	30.0	47.4	39.2
T61	Commercial Air Transportation	2.34	3.30	2.59	3.04	3.96	19.1	33.4	26.2	23.1	16.3
U11	Telecommunications	2.52	1.86	1.16	1.61	1.53	17.0	21.0	26.4	17.3	21.0
U31	Electric Systems	2.63	3.19	2.06	2.37	1.81	22.7	33.6	28.5	17.8	9.3

% of workers injured with time loss equals time loss claims divided by # of workers covered.

Number of workers covered calculated by dividing assessable payroll by the Statistics Canada average weekly wage for each rate code.

** All Class Injury Rate includes Government of Canada (Deposit Account)

Risk Management Plan

The following pages show highlights of the WCB's risk management plan — Executive Management's response to the Board's direction to undertake an in-depth analysis of the WCB's business risks. This analysis includes risk identification, an assessment of the impact of each risk, and initiatives to mitigate their influence on the administration of the compensation system.

Listed below are highlights from the plan's assessment of external risks.

Economic Instability

ISSUE	IMPACTS	RESPONSE
Uncertainty in the investment markets	WCB financial stability at risk, especially sustainability of funding strategies and premium-setting approaches.	• Monitor investment performance quarterly and annually through the Investment Committee. • Create portfolio diversification policy. • Retain professional investment managers to ensure quality of diversification and risk management. • Closely monitor investment managers' performance and portfolio returns. • Review and enhance investment policy annually.
Cycles in the economy	Fluctuations in employment levels — Increased employment can reduce premiums but can increase injury numbers, as well. Decreased employment can increase premiums, but can reduce injury numbers.	• Build and maintain sufficient reserves to smooth out the effects of economic cycles. • Improve ability to monitor economic conditions and forecast their operational impacts.

Absence of Economic Model

ISSUE	IMPACTS	RESPONSE
Premiums collected do not reflect actual claims experience	Revenue and expense imbalances can result in operating shortfalls, depleted reserves and passing on of current claims costs to future employers.	• Maintain an actuarial-based rate-setting model using the same assumptions as in the actuarial valuation of claim liabilities. • Annually review assumptions and adapt as required so that rate model continues to reflect experience. • Retain part-time staff actuary to forecast costs based on economic indicators for enhanced ability to match revenues and expenditures. • Maintain adequate levels of reserves to allow for inability of any actuarial model to perfectly project future needs.

Unstable Injury Rate

ISSUE	IMPACTS	RESPONSE
Increasing claim volumes	Increased claims costs force higher premiums.	• Influence employer and worker safety practices through: - experience rating (merit/surcharge) program; and - safety initiatives in cooperation with Occupational Health & Safety, industry safety associations and WorkSafe Saskatchewan.

No Return-to-Work Commitment

ISSUE	IMPACTS	RESPONSE
Any single stakeholder withdrawing commitment limits system's success in returning workers to the job	Increased durations, compensation costs and premium rates	• Maintain, monitor and enhance team-based case management model. • Maintain the formal quality assurance component of the claims process. • Collaborate with key stakeholders (employers, workers, health care providers) through education, contracts, communications and service integration strategies. • Proactively advance the work of the multi-stakeholder Early Intervention Advisory Committee.

Changing Labour Force

ISSUE	IMPACTS	RESPONSE
Increasing proportion of older workers and a shortage of qualified younger workers	Older workers require more treatment to recover from injuries, putting upward pressure on costs. Absence of qualified new employees can make it difficult to attract qualified individuals to the WCB.	• Review and refine Early Intervention Programs and claims management processes for early medical and functional rehabilitation. • Develop WCB internally to be a first-choice employer; - HR planning; - competency recruitment framework; - career and succession management; and - joint strategies with the First Nations community.

Increasing Customer Expectations

ISSUE	IMPACTS	RESPONSE
Increasing customer expectations	Rising expectations, or expectations that differ from WCB's legislated mandate, can result in lack of stakeholder confidence.	• Use surveys to identify customer expectations and areas for change in WCB policies and practices. • Use communications for education and information-sharing with stakeholders. • Enhance customer service standards, quality assurance processes and customer service training.

Appeals Report

Appeals Committee

As part of its focus on openness and accountability, the WCB has made access to the appeal process easier and more transparent. At the same time case managers advise clients of a claim decision, they also point out that the client has the option to have the decision reviewed, and accompany this advice with a fact sheet on how to launch an appeal. As well, more and more clients are taking advantage of the ability to appeal through the Internet, by fax, or by regular mail.

Dealing with the increasing number of appeals at the Appeals Committee level continues to be a significant challenge. Appeals increased by an additional 101 in 2003, to reach a new record level of 1,081. This represents a 30 per cent increase in the appeal load since 2001 and has resulted in a

backlog of more than 430 outstanding appeals at the end of 2003. The increasing appeal numbers, combined with the increasing complexity of issues being appealed, resulted in 2003 adjudication targets not being attained. The WCB responded by adding an additional Appeals Officer at the end of last year. An early-2004 process review will help identify efficiencies, and will identify measures that can be taken to reduce the backlog and to decrease overall adjudication time.

The target for 2004 is to bring the average adjudication time from the current average 149 days to prior-year levels of approximately 70 days by year-end. The long-term target is to see 50 per cent of appeals adjudicated within 30 days.

Appeals Activity Appeals Committee

	2003	2002	2001	2000	1999
Appeals Received	1081	979	826	873	813
Decisions Made:					
Appeal Successful (Accepted)	197	176	163	169	190
Original Decision Upheld (Denied)	422	414	349	405	392
Returned to Original Unit for Further Development	221	206	243	171	109
Total	840	796	755	745	691
Appeals Withdrawn	44	35	22	40	27
*Appeals Pending	408	213	107	231	62
Average Number of Days for Decision	149	69	73	107	48

*Past-year results revised to reflect refined data analysis.

Sources of Appeals Appeals Committee

Source	2003	2002	2001	2000	1999
Worker	659	613	523	517	483
Worker's Advocate	120	107	106	146	131
Employer	116	147	80	88	49
Lawyer	27	27	35	37	50
Union Official	48	34	43	47	46
Family	14	15	14	7	13
Industrial Relations Consultant	0	4	5	n/a	n/a
MLA's	4	3	4	n/a	n/a
Doctor	0	1	1	n/a	n/a
Other Representative	93	28	15	30	41
Total	1081	979	826	873	813

Nature of Appeals Appeals Committee

ISSUE	2003	2002	2001	2000	1999
Initial Acceptance	269	292	280	345	271
Relationship (Of one injury to another)	198	165	125	140	156
Recovery / Fitness (Ability to Return to Work)	188	166	134	124	88
Estimated Earning Capacity	65	50	45	58	85
Recovery (on-going due to pre-existing condition)	56	54	56	42	30
Cost Relief	85	69	32	35	22
PFI	43	33	36	24	34
Suspension	36	26	23	20	27
Wage Base	22	20	24	19	18
Retraining	11	22	12	10	16
Transportation Expense	31	20	13	9	18
Independence Allowance	14	14	9	n/a	n/a
Dependents	1	1	3	1	3
Other	62	47	34	47	45
Total	1081	979	826	874	813

Board Appeals

If a client is not satisfied with the appeal decision provided by the Appeals Committee, he or she can have the appeal heard by the WCB's Board Members. Here, decisions are based on existing information in the claim file and on additional information supplied in writing or at a hearing.

To ensure Board hearings are conducted within the framework of the compensation system, Board Members follow these key principles:

- The Board is not bound by existing policy in making its decisions
- A Board decision that does not follow current policy does not mean that a new policy has been created

- Board decisions are not precedent-setting
- WCB staff is bound by decisions made by the Board.

Last year, the Board heard nearly 300 appeals, while receiving only 240 new appeal requests. The additional numbers reflected appeals commenced, but not yet heard in the previous year. It also represents a 50 per cent drop in the number of appeals pending – from 140 in 2002 to 75 in 2003.

Appeals Activity Board Appeals

	2003	2002	2001	2000	1999
Appeals Received	240	297	246	201	212
Decisions Made:					
Appeal Successful (Accepted)	124	108	85	67	66
Original Decision Upheld (Denied)	170	122	151	149	127
Total	294	230	236	216	193
Appeals Withdrawn	11	11	12	10	16
Appeals Pending	75	140	84	94	110
Average Number of Days for Decision	172	163	142	188	183

Sources of Appeals Board Appeals

Source	2003	2002	2001	2000	1999
Worker's Advocate	77	85	95	69	66
Worker	82	120	78	67	62
Lawyer	10	22	15	19	27
Employer	28	39	15	13	13
Union Official	5	7	15	4	15
Family	6	1	2	2	6
Other Representative	32	23	26	27	23
Total	240	297	246	201	212

Nature of Appeals Board Appeals

ISSUE	2003	2002	2001	2000	1999
Relationship (Of one injury to another)	65	87	77	70	71
Initial Acceptance	59	72	50	43	62
Recovery / Fitness (Ability to Return to Work)	48	55	59	40	33
Cost Relief	16	18	6	8	1
Retraining	3	10	5	7	8
Estimated Earning Capacity	19	13	5	6	14
Suspension	0	3	2	6	2
PFI	8	14	7	5	4
Wage Base	3	4	5	4	3
Dependents	0	0	0	2	1
Transportation Expense	7	4	0	1	2
Assessment Rates & Surcharge	4	2	6	0	5
Recovery (on-going due to pre-existing condition)	Board records this issue differently than Appeals Committee				
Other	8	15	24	9	6
Total	240	297	246	201	212

Appeals Report

Medical Review Panels

Medical Review Panels are convened when a worker's doctor or chiropractor disagrees with a Board decision on medical grounds and after all other avenues of appeal have been exhausted. The panel's chairperson is appointed by the Board, in consultation with the Saskatchewan Medical Association. The worker chooses the medical practitioners who sit on the panel. The Medical Review Panel's decisions are binding on the worker and on the WCB.

In 2003, nine Medical Review Panels were held, compared to 29 in 2002. This is a considerable drop from last year's volume, but is closer to the number of panels held in an average year.

Appeals Activity Medical Review Panel

	2003	2002	2001	2000	1999
Appeals Received	9	29	15	6	12
Decisions Made:					
Appeal Successful (Accepted)	3	14	9	5	6
Original Decision Upheld (Denied)	4	14	6	1	6
Total	7	28	15	6	12
Pending	2	1	0	0	0

Nature of Appeals Medical Review Panel

ISSUE	2003	2002	2001	2000
Relationship (Of one injury to another)	8	25	10	4
Initial Acceptance	0	0	0	0
Recovery / Fitness (Ability to Return to Work)	1	2	4	1
PFI	0	2	1	1
Other	0	0	0	0
Total	9	29	15	6



Fair Practices Office

The WCB established a Fair Practices Office in September 2003 to receive and investigate complaints in all areas of administration. The office acts like an ombudsman in promoting fairness in the WCB's practices, procedures and processes. It is mandated to investigate complaints regarding:

- delays in adjudication, communication, referrals or payments;
- conduct of staff;
- verbal and written communications;
- implementation of review findings;
- employer accounts;
- administrative payments; and
- misapplication of policy.

The Fair Practices Office will not deal with decisions of the Board, issues under appeal, issues being handled by the Office of the Worker's Advocate or changes to legislation.

The Fair Practices Officer reports directly to the Board through the Chair, and is required to maintain a position of neutrality and impartiality. Like the WCB itself, the Fair Practices Officer must maintain a balance between the interests of employers and workers. The office also performs a vital service for our key stakeholders, providing further assurance that the WCB's policies and procedures are applied fairly and consistently. It will also contribute toward the WCB's balanced scorecard goal of developing a more constructive culture in the workplace by promoting the corporate values and achievement of corporate strategies.

The WCB's first Fair Practices Officer is Murray Knoll, who previously spent more than 20 years with the Office of the Saskatchewan Ombudsman.

Before beginning to receive complaints, Knoll gathered information and ideas from fair practice offices at the WCB boards in Manitoba and British Columbia. The WCB's office has also joined a newly-formed association called the Fairness Working Group, which represents WCBs across Canada that have established fair practice offices, or have employees performing that function.

The WCB's Fair Practices Office began receiving complaints in November, too late to provide meaningful statistics for 2003. The volume of complaints began to increase in January 2004, when the office was profiled in **Compensation Reporter** and Knoll's appointment was advertised in newspapers. He has borrowed ideas from the reporting system used in British Columbia to break down the complaints into categories for his own tracking and reporting purposes. For example, certain types of complaints may originate primarily in specific regions of the province, or from clients assigned to certain case management teams.

The first complaints received by the office dealt primarily with the tone of communications received from case managers. Some of these were found to be correct. The focus then shifted to complaints about decisions and the process around decision-making, which are anticipated to form the majority of future workloads, as employers and injured workers gain a better understanding of the role of the office. The Fair Practices Officer has received a positive reception from people he's contacted, who welcome the Office as a means of improving service and ensuring fairness in the WCB's operations.

2003 - 2005 Strategic Plan

The WCB Board considered a number of environmental factors in their discussions on strategy for the 2003 to 2005 planning cycle.

The most pressing factors were a rising injury rate and resulting increased claims costs, and continuing poor market returns on investments. While the WCB is not able to influence market returns, Board Members believe that the WCB, working with partners in its stakeholder communities, can and must move the injury rate down.

Other strategic considerations for Board Members were:

- The injury rate will continue to rise unless mitigating initiatives are implemented.
- Injured worker and employer expectations of high levels of customer service will continue to rise and must be managed.
- Employers will continue to expect careful management of program and administration expenses.
- The potential for revenue growth through investment markets will continue to be poor in the near term.
- First Nations' businesses are an influential driver in the provincial economy and First Nations' workers are a growing population in the labour force.

There are four elements to a strategic plan: a vision and mission statement, a statement of corporate beliefs, a values statement, and strategies to direct an organization towards its planned future.

Strategic considerations by Board Members prompted revisions to the WCB's strategic plan (revisions in bold text).

Vision/Mission Statement:

The Saskatchewan Workers' Compensation Board's mission and sole purpose is to serve injured workers and their employers. Our vision is to excel in the development and delivery of workers' compensation **and injury prevention** programs and services.

In support of our mission and vision, we will:

1. Provide the right service, at the right time, and be cost-effective in our processes.
2. Act with dignity and treat everyone with respect.
3. Conduct our business in a fair, open, honest and professional manner.
4. Bring about positive relationships with workers, employers, and others affected by the workers' compensation system.
5. Communicate our distinct identity, benefits and values.
6. Expect and recognize individual and corporate achievements and contributions to our workplace.
7. Ensure the financial integrity of the Workers' Compensation Board.

Statement of Beliefs

The Statement of Beliefs is rooted in the Meredith Principles and describes what the WCB holds to be true about Saskatchewan's compensation system, our stakeholders, and the nature of our relationships with workers, employers, and the people of Saskatchewan.

Our corporate beliefs are:

1. Injured workers and employers deserve excellent service.
2. Workers, employers and others deal with us honestly.
3. Employers care about their employees and care that their employees receive excellent service.
4. The WCB's future relies on positive relationships built on trust, **understanding and cooperation** in our **programs** and decisions.
5. WCB employees want to excel in customer service.
6. The WCB is guided by its corporate values in all of its decisions.

Values Statement

Our corporate values are the standards by which our actions and decisions are to be considered and judged by others.

1. **Dignity** – those we serve and those we work with are treated with respect and consideration.
2. **Fair** – those we serve and those we work with are treated equally and without prejudice or bias.
3. **Honest** – those we serve and those we work with are treated truthfully.
4. **Open** – our programs and services are easy to access and to understand. Our decisions and actions are clear, reasonable and open to examination.

Strategy Statements

The strategy statements are meant to be interrelated and mutually supportive. Taken together, strategy statements are meant to represent a comprehensive, preferred future for the organization.

Service – We will provide support to injured workers, their families and employers when they need it most. **We will develop and promote injury prevention programs.** We will return injured workers to wellness, including the return to suitable employment.

Relationships – We will continue to build relationships that serve the interests of injured workers and employers.

Strategic and Risk Management – We will follow a planning process that **anticipates and** responds to the environment, and that results in service and management excellence and efficiency.

Employee Relations – We will instill pride in WCB employees and require accountability for individual and corporate achievements, and responsibility for how work is accomplished.

The strategic plan developed by the WCB Board continues to direct the organization towards a future that is:

- Customer centered and excels in service delivery.
- Works in partnership with those affected by, and those who influence, the compensation system.
- Anticipates and responds to its environment in a planned and proactive manner.
- Has employees who own their individual and collective accomplishments, and who are responsible for how work is done.

2003 - 2005 Operational Plan

The WCB's Chief Executive Officer and Vice Presidents (executive) are responsible for turning the strategic plan into reality. Their focus is operational, dedicating the resources of the WCB towards achieving the results identified by the Board as fundamental to the organization's success.

The executive implements the strategic plan through operational objectives that are cross-functional, meaning that implementation requires cooperation and collaboration across the organization's three divisions.

Revisions to the strategic plan for this planning cycle prompted revisions to the operational objectives that were introduced in 2002. The Financial Integrity objective, in particular, required revisions to reflect the continuing poor investment markets and the financial pressures produced by a rising injury rate and claims costs. This objective now aims to protect benefit entitlement, while maintaining competitive rates and managing administration expenses.

A Relationships objective has been introduced to reinforce the emphasis placed on forging partnerships that advance mutual interests, such as reducing the injury rate or enhancing return-to-work outcomes.

The Effective Processes objective has been rewritten to incorporate new strategic attention to risk management within the organization. As the organization moves into this planning cycle, work processes will begin incorporating risk management elements of controls and standards.

A Safety and Prevention objective has been introduced to reflect the urgent need to lower the injury rate. The objective also supports strategic intentions for relationships between the organization and external groups that advance our mutual interests.

The pages that follow illustrate the WCB's 2003 to 2005 operational plan.

Key Result: Excellent Service

Objective: To achieve 95% customer service satisfaction (as measured by quarterly surveys) by December 31, 2004.

December 31, 2002 Target – 93% Actual – 82%

December 31, 2003 Target – 94% Actual – 84%

Objective Supports: **Service Strategy:** We will provide support to injured workers, their families and employers, when they need it most. We will develop and promote injury prevention programs. We will return injured workers to wellness, including the return to suitable employment.

Relationship Strategy: We will continue to build relationships that serve the interests of injured workers and employers.

Employee Relations Strategy: We will instill pride in WCB employees and require accountability for individual and corporate achievements, and responsibility for how work is accomplished.

Progress in 2003:

- The Common Measurement Tool survey methodology and a related corporate service improvement process that responds to customer identified service needs are in place.
- Customer service specifications are integrated into Quality Assurance process.
- A continuous improvement strategy saw case management processes refined with integration of Prevention, Safety and Return to Work, Account Management, Case Management, Medical Services and Health Care Services processes.
- Agreements are in place for expedited MRI diagnostics with both Regina and Saskatoon health regions.
- Independent, external review of the Early Intervention Program is about 60% complete.
- A plain language strategy is in place for new publications and to revise existing publications as they are reprinted. Form correspondence is under review.
- Added employer registration and access to medical information for caregivers to web-based, online services.

Key Result: Competent People

Objective: To have 90% of WCB employees demonstrate competence by December 31, 2004 as measured through the performance management process.

Objective Supports: **Service Strategy:** We will provide support to injured workers, their families and employers, when they need it most. We will develop and promote injury prevention programs. We will return injured workers to wellness, including the return to suitable employment.

Strategic and Risk Management Strategy: We will follow a planning process that anticipates and responds to the environment, and that results in service and management excellence and efficiency.

Employee Relations Strategy: We will instill pride in WCB employees and require accountability for individual and corporate achievements, and responsibility for how work is accomplished.

Progress in 2003:

- Competency framework implemented. Competencies and related standards are integrated into staffing processes and performance management processes for out-of-scope employees.
- Corporate wide training and development strategy implemented based on competency framework.
- Quality Assurance training programs have been established and implemented.

Key Result: Financial Integrity

Objective: To protect benefit entitlement and maintain competitive rates, the WCB will achieve fully funded status by December 31, 2007.

Objective Supports: **Strategic and Risk Management Strategy:** We will follow a planning process that anticipates and responds to the environment, and that results in service and management excellence and efficiency.

Progress in 2003:

- Improved forecasting and reporting processes for program expenses and rate setting are in place and reviewed annually.
- Saskatchewan had the second lowest average administration cost per time loss claim when compared to other Canadian workers' compensation boards.
- A funding paper was developed and circulated to stakeholders. Recommendations from stakeholders were incorporated into 2004 rate setting.
- The number of days paid per time loss claim dropped to 37.0 days in 2003, down from 40.0 days in 2002 and 42.30 days in 2001.
- Injury frequency declined marginally in 2003. Time loss claims dropped by 298 over the reporting period. This impacted program costs for the year.
- Overall, claim costs decreased from \$221.1 million in 2002 to \$199.1 million in 2003.
- Program expenses (compensation, earnings replacement, payments to care givers, and vocational rehabilitation) dropped by \$6.2 million, from \$173.0 million in 2002 to \$166.8 million in 2003. Over the same period, customer service satisfaction ratings show steady improvements for both employers and injured workers.
- Health care payments declined by \$2.1 million in 2003, largely due to faster worker access to secondary and tertiary rehabilitation, with fewer injured workers using this level of service.
- Despite an increase of 3% to salaries, administration expenses declined to \$35.6 million before costs charged to the Future Benefits Administration. In fact, the WCB's administration costs in 2003 were the lowest since 1998.

Key Result: Effective Processes

Objective: To achieve business outcomes ensuring that applicable controls and standards are developed, implemented and monitored for key business processes.

Objective Supports: **Service Strategy:** We will provide support to injured workers, their families and employers, when they need it most. We will develop and promote injury prevention programs. We will return injured workers to wellness, including the return to suitable employment.

Strategic and Risk Management Strategy: We will follow a planning process that anticipates and responds to the environment, and that results in service and management excellence and efficiency.

Progress in 2003:

- Performance and service standards and targets established for customer service and vocational rehabilitation. Quality Assurance assesses standards on file reviews.
- Process and performance standards are in development for case management. Templates for Quality Assurance and Vocational Rehabilitation purposes are being automated. Templates are in development for case management.
- Human Resources planning information is provided to management each business quarter.
- Project analysis and plan development for a Business Continuity Plan is complete.
- A risk management plan is in place to identify and mitigate business risk.
- Review began of the WCB's Balanced Scorecard, the organization's performance measure of key processes and results.

Key Result: Effective Business Relationships

Objective: To build effective business relationships that advance mutual interests as measured by defined outcomes.

Objective Supports: **Service Strategy:** We will provide support to injured workers, their families and employers, when they need it most. We will develop and promote injury prevention programs. We will return injured workers to wellness, including the return to suitable employment.

Relationships Strategy: We will continue to build relationships that serve the interests of injured workers and employers.

Progress in 2003:

- Regular meetings with the Office of the Workers' Advocate (OWA) continue to support and improve a working relationship that ultimately provides better service to our mutual clients.
- Relationship established with La Ronge First Nation to promote understanding of the workers' compensation system.

Key Result: Safety and Prevention

Objective: In cooperation with employers, workers and other partners, develop and implement a province-wide safety and injury prevention strategy that reduces the provincial injury rate to 4% by December 31, 2007.

Objective Supports: **Service Strategy:** We will provide support to injured workers, their families and employers, when they need it most. We will develop and promote injury prevention programs. We will return injured workers to wellness, including the return to suitable employment.

Relationships Strategy: We will continue to build relationships that serve the interests of injured workers and employers.

Progress in 2003:

- Research on safety programs in back care, with special focus on health care workers, completed.
- Research into best practices in injury prevention programs completed.
- Multi-year communications strategy developed and launched to raise awareness of importance of safety and injury prevention.
- Established a collaborative initiative with Saskatchewan Labour to identify and work with the industries and employers that are driving injury rates and costs.
- Established a collaborative initiative with the La Ronge First Nation and Kitsaki Management to foster safe work awareness and practices.
- Worked with Saskatchewan Federation of Labour to fund a Ready for Work Coordinator who will create workplace safety awareness among high school students.
- Circulated a discussion paper in 2003 to stakeholders on the WCB's experience rating program. Feedback resulted in a WCB-stakeholder working committee tasked with revising the WCB's merit/surcharge program for employers.

Strategic Choices Produce Results

The WCB's strategic and operational plan directs the organization to make injury prevention a top priority, put a check on administrative costs, and adopt a more effective case management system. That direction produced results for the organization in 2003.

Results in customer service include:

- An agreement was reached with the Saskatoon health region for expedited MRI diagnostics. WCB clients began accessing services under the agreement in November. Negotiations for a similar agreement with the Regina-Qu'Appelle health region were nearing completion at year-end. Once fully operational, the agreements will supply the majority of the WCB's MRI demands and virtually eliminate the need for out-of-province MRI diagnostics.
- The team-based approach to case management continues to shorten claims durations and increase customer satisfaction. The number of days paid per time loss claim dropped three days in 2003, from 40.0 to 37.0 days. In the past two years, the number of days paid per time loss claim has dropped 5.3 days.
- A continuous improvement strategy saw case management processes refined with integration of Prevention, Safety and Return to Work, Account Management, Case Management, Medical Services and Health Care Services processes.
- Regular meetings with the Office of the Workers' Advocate continue to support and improve a working relationship that ultimately provides better service to our mutual clients.
- The time for Board-level appeals was cut in half. Saskatchewan now has the lowest cost per appeal decision of any compensation board in Canada.
- Quality Assurance (QA) processes were advanced in 2003:
 - Customer service specifications were integrated into QA processes.
 - Training programs were established and implemented.
- Performance and service standards and targets were established for customer service and vocational rehabilitation. QA assesses standards on file reviews.
- Added employer registration and access to medical information for caregivers to the WCB's web-based, online services.

Relationships focused on workplace safety and injury prevention were established:

- Collaborative workplace safety and injury prevention initiatives were established with:
 - La Ronge First Nation and Kitsaki Management to foster safe work awareness and practices and to promote understanding of the workers' compensation system.
 - Saskatchewan Labour to identify and work with the industries and employers that are driving injury rates and costs.
 - Saskatchewan Federation of Labour to fund a Ready for Work Coordinator who will create workplace safety awareness among high school students.

Corporate operations were improved:

- A risk management plan is in place to identify and mitigate business risk. The plan earned favourable comments from Saskatchewan's Provincial Auditor.
- Improved forecasting and reporting processes for program expenses and rate setting are in place and reviewed annually.
- Project analysis and plan development for a Business Continuity Plan (BCP) was initiated in 2003. The plan will be tested early in 2004 and reviewed annually as part of plan maintenance.
- A discussion paper on the WCB's experience rating program was circulated to stakeholders. Feedback resulted in a WCB-stakeholder working committee tasked with revising the WCB's merit/surcharge program for employers.
- A review began of the WCB's Balanced Scorecard, the organization's performance measure of key processes and results.

Human Resources processes were advanced:

- The WCB's competency framework was implemented for out-of-scope employees. Competencies and related standards are integrated into staffing processes and performance management processes.
- A corporate-wide training and development strategy was implemented based on the competency framework.
- Human Resources planning information is provided to management each business quarter.
- Process and performance standards are in development for Case Management. Templates for Quality Assurance and Vocational Rehabilitation purposes are being automated. Templates are in development for Case Management.

Workplace safety and injury prevention initiatives were introduced:

- Research on safety programs in back care, with special focus on health care workers, was completed.
- Research into best practices in injury prevention programs was completed.
- A multi-year communications strategy was developed and launched to raise awareness of the importance of safety and injury prevention.

Board Policy Decisions

New Policies Adopted January 2003 – present

Doc# 2.1.2

01/2003

Coverage, Notice of Application

This policy complies with the Bill 72 amendment to Section 12 of the Act, effective 01 January 2003. In addition to a company/employer notifying its workers and union of the intent to apply to the WCB for coverage, reciprocally, workers must also notify their employers.

Doc# 4.1.3.8

02/2003

Section 38.1 – Maximum Wage Rate

As a result of Bill 72 amendments, this policy represents increases to the maximum wage rate under Section 38.1, scheduled to take effect over three years starting 01 January 2003 for injuries occurring after September 1, 1985. For those eligible, the new maximum wage rate applicable on or after 01 January 2004 is \$53,000.

Doc# 4.2.6

03/2003

Allowance – Independence

Recent changes to Section 67.1 (Bill 72) required this policy be updated. For decisions prior to January 1, 2003, the Independence Allowance (IA) provided to eligible workers will not exceed 10% of the maximum permanent functional impairment (PFI) allowed (\$22,600). For decisions on or after January 1, 2003, the maximum amount of an IA will not exceed 5% of the maximum PFI.

Doc# 4.4.4

04/2003

Annuities

This policy is recently re-issued with a change as to how interest is calculated on retroactive adjustment of compensation benefits. Interest will be (re)calculated retroactively beginning with the 25th month when interest on the annuity would normally have accrued, rather than the date payment of the additional annuity amount is issued.

Doc# 9.03

05/2003

Interest on Benefits Accruing from Successful Appeals

Effective 01 June 2003, interest will accrue on benefits from successful appeals where internal administrative delays result in the appellant having to wait longer than 120 days for decisions at the Board level. This represents a change from the 30 days allowed in previous policy.

Doc# 4.3.2.1

07/2003

Expenses – Travel & Sustenance – General (POL 07/2003)

The purpose of this new policy is to ensure workers do not incur additional expenses (exceeding normal employment expense) when required to travel away from home to attend WCB directed treatment, vocational programs or other appointments or hearings. Public Service Commission (PSC) rates are paid for short-term expenses (medical treatment) and long-term expenses (vocational training) are limited to a reasonable allowance. The latter is clarified by policy for the first time.

Doc# 3.1.5.5

09/2003

Injuries - Fire Fighters and Cancer Related to Combustion Gases

This policy is a result of the introduction of Section 29.1 of the Act (Bill 18) providing a presumption for occupational disease where fire fighters in an urban setting are exposed to the hazards of the profession (combustion gases) and later develop certain primary site cancers. Also included, are the minimum periods of exposure for each listed cancer as prescribed by Section 22.3 of the General Regulations.

Doc# 4.1.4.4

10/2003

Average Weekly Earnings – Section 70(4)

Consistent with Section 70(4) of the Act, this policy provides guidance for establishing an equitable wage base for part-time, casual, seasonal and new workers typically not employed for the full 12 months prior to injury. On review at 26 weeks, where there are no regular or annual wages, earnings for workers regularly employed in the same grade of employment in the same industry will be averaged over the 12 months immediately preceding the date of injury to establish a wage base.

Doc# 10.6

12/2003

Access/Collection/Release of Information

This policy has been revisited to clarify privacy guidelines for the release of "bulk data" or exchange of information with third parties under a Memorandum of Agreement.

Doc# 4.4.3.2

13/2003

PFI – General

Effective 01 January 2003, Section 67(1.1) of the Act has provided increases to the minimum and maximum awards for permanent functional impairment for decisions occurring on or after 01 January 2003; the minimum amount will not be less than \$2200 and not more than \$45,200. For decisions prior to 01 January 2003, the minimum is \$1100 and the maximum \$22,600.

Doc# 4.1.3.6

14/2003

Compensation Rate, Maximum, 2004 – Section 38

This annual update increases the maximum compensation rate for workers sustaining injury before 01 September 1985, to \$51,000 per annum effective 01 January 2003.

Doc# 2.1.3.2

15/2003

Classification of Industries – 2004 Provisional Premium Rates

Updated annually, this policy establishes the provisional premium rates for 2004.

A component to fund 2003 legislative amendments and to replenish the Board's deficit equates to 2% and 2.6% respectively, on the 2004 base rate for individual industries.

Doc# 4.4.3.7

01/2004

PFI – Hearing Loss

This policy provides guidelines for assessing permanent functional impairment for traumatic and occupational noise induced hearing loss. The standard for workplace exposure as well as eligibility criteria for awards are included in the policy.

Doc #4.4.3.6

03/2003 (Amended by ADM 03/2003)

PFI – Raynaud's Phenomenon

This policy is not new but has been amended to include legislative changes to Section 67 of the Act which stipulates the lump sum awards for permanent functional impairment.

Doc# 4.4.3.5

25/90 (Amended by ADM 04/2003)

PFI – Allergies

This policy is amended to reflect the legislative changes to Section 16 of the Act which stipulates the lump sum awards for permanent functional impairment.

Policies and procedures are public and accessible through the WCB's website at www.wcbask.com



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